

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re

The Hertz Corporation, *et al.*,¹

Debtors.

Chapter 11

Case No. 20-11218 (MFW)

Jointly Administered

Re: D.I. 790, 936, 1336, 2628 & 3454

**FOURTH SUPPLEMENTAL DECLARATION OF JASON GUGGENHEIM
IN SUPPORT OF DEBTORS' APPLICATION FOR ENTRY OF AN ORDER
AUTHORIZING THE EMPLOYMENT AND RETENTION OF THE
BOSTON CONSULTING GROUP, INC. AS STRATEGIC ADVISOR TO
THE DEBTORS NUNC PRO TUNC JULY 22, 2020**

I, Jason Guggenheim, pursuant to 28 U.S.C. § 1746, hereby declare that the following is true and correct to the best of my knowledge, information, and belief:

1. I am a Managing Director and Senior Partner with The Boston Consulting Group, Inc. (which, together with its affiliates and subsidiaries, and employees thereof, is hereinafter referred to as “**BCG**”), with an office at 1075 Peachtree Street, NE, Suite 3800, Atlanta, GA 30309.

2. I am authorized to submit this fourth supplemental declaration in support of the *Debtors' Application for Entry of an Order Authorizing the Employment and Retention of The Boston Consulting Group, Inc. as Strategic Advisor to the Debtors Nunc Pro Tunc to July 22, 2020* [D.I. 790] (the “**Application**”) that sought entry of an order authorizing the Debtors to employ and retain BCG as a strategic advisor in these chapter 11 cases (the “**Chapter 11 Cases**”) and the

¹ The last four digits of The Hertz Corporation's tax identification number are 8568. The location of the debtors' service address is 8501 Williams Road, Estero, FL 33928. Due to the large number of debtors in these Chapter 11 Cases, which are jointly administration for procedural purposes, a complete list of the debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the debtors' claims and noticing agent at <https://restructuring.primeclerk.com/hertz>.

Debtors' Supplemental Application for Entry of an Order Expanding the Scope of Services to Be Provided by The Boston Consulting Group, Inc. as Strategic Advisor to the Debtors Nunc Pro Tunc To March 18, 2021 and Approving Associated Compensation [D.I. 3454] (the “**Supplemental Application**”) seeking entry of an order authorizing an expanded scope of services to be provided by BCG to the Debtors in these Chapter 11 Cases.

3. In support of the Application, the Debtors submitted: (i) the initial declaration of Jason Guggenheim, which was attached as Exhibit B to the Application (the “**Initial Declaration**”); (ii) the *Supplemental Declaration of Jason Guggenheim in Support of Debtors' Application for Entry of an Order Authorizing the Employment and Retention of The Boston Consulting Group, Inc. as Strategic Advisor to the Debtors Nunc Pro Tunc to July 22, 2020* [D.I. 936] (the “**First Supplemental Declaration**”) to address informal comments to the Application and Initial Declaration provided by the United States Trustee; (iii) the *Second Supplemental Declaration of Jason Guggenheim in Support of Debtors' Application for Entry of an Order Authorizing the Employment and Retention of The Boston Consulting Group, Inc. as Strategic Advisor to the Debtors Nunc Pro Tunc to July 22, 2020* [D.I. 1336] (the “**Second Supplemental Declaration**”) to address the addition of two additional BCG employees joining the team working directly with the Debtors; and (iv) the *Third Supplemental Declaration of Jason Guggenheim in Support of Debtors' Application for Entry of an Order Authorizing the Employment and Retention of The Boston Consulting Group, Inc. as Strategic Advisor to the Debtors Nunc Pro Tunc to July 22, 2020* [D.I. 2628] (the “**Third Supplemental Declaration**”) to provide updates and disclosures relating to ongoing conflicts review in connection with the Application.

4. As noted in paragraph 28 of the Application, BCG will conduct an ongoing review of its files and supplement its disclosure if any new material facts or relationships arise.

Disclosure of Results of Ongoing Conflicts Review

- i. In April 2021, BCG obtained from the Debtors the third supplemental common interested parties list (the “**Third PPI List**”), which included, among others, airport authorities, government related parties, restructuring advisors to certain creditors, DIP lenders, and other potential parties in interest of the Debtors that had since become known to the Debtors. The Debtors’ Third PPI List is attached hereto as **Exhibit 1**.
- ii. BCG processed all entity names on the Third PPI List through Orbis Research, a third-party with a robust database of corporate subsidiaries and affiliated entities in order to expand the Third PPI List to include corporate affiliates. Affiliate relationships were deemed to exist where a parent company owned 20% or more of the equity of a subsidiary. The resulting expanded list is referred to herein as the “Expanded PPI List” which, due to its size is not attached, but is available upon request to BCG.
- iii. BCG compared the Expanded PPI List with a list of all BCG clients from the preceding three (3) years. This Client List was generated from BCG’s Client Database, which generally includes the name of each BCG client, and the names of the BCG professionals who are, or were, primarily responsible for matters for such clients. The resulting matches are set forth in **Exhibit 2**.
- iv. Based upon the foregoing, to the best of my knowledge, (i) none of these client relationships constitute interests adverse to the Debtors, and (ii) all of these client relationships involved consulting matters unrelated to the Debtors, unless otherwise set forth below.

- v. **BCG Clients: Client Leadership.** BCG also sent an email survey to BCG Client Officers (“CCOs”) for clients listed on **Exhibit 2**. The CCOs are the BCG professionals primarily responsible for matters for such clients and people with the most knowledge across the portfolio of work being performed by BCG for the client. This survey included a complete list of the Debtors and requested that each CCO indicate, to the best of his/her knowledge, whether the work for his/her client, in any engagement known to the CCO, in any way related to The Hertz Corporation, its affiliates or competitors and whether the CCO was aware of any other potential conflict or reason why BCG might be unable to represent the Debtors.
- vi. No interested party listed on **Exhibit 2** accounted for more than 1.2% of BCG’s gross revenue during the period from January 1, 2018 through April 21, 2021 (the “**Revenue Period**”), and to the best of my knowledge, based on the results of the Surveys, none of the services provided to any of these clients is or was related to the Debtors or the Chapter 11 Cases; except one client matter that was tangentially related to Hertz as follows:
 - 1. BCG has supported a car sharing operator, ENEOS Corporation, in Japan since 2018. The car sharing and rental car industries are increasingly converging. Hertz has a commercial relationship with Toyota Rent A Car in Japan, one of the major rental car operators. None of the work for ENEOS was related to Hertz or Toyota Rent A Car. The services for ENEOS relate to strategic development, operations, marketing and IT development.

- vii. As previously disclosed in the Supplemental Declarations, BCG has been engaged within the last three years or is currently engaged by Centerbridge Partners, L.P. (“**Centerbridge**”) and Warburg Pincus LLC (“**Warburg**”) in matters unrelated to the Chapter 11 cases.
- viii. Specifically, during the Revenue Period, BCG is or has been engaged by Centerbridge to provide consulting services, including due diligence analysis, support for M&A transactions of Centerbridge portfolio companies. Currently, BCG has one active engagement with Centerbridge, as follows:
 - 1. A growth opportunity assessment for a portfolio company of Centerbridge in the healthcare provider space.
- ix. Additionally, during the Revenue Period, BCG is or has been engaged by Warburg to provide consulting services for Warburg, including due diligence analysis, industry or market analysis, and support for M&A transactions of Warburg portfolio companies. Currently, BCG has six (6) active engagements involving Warburg as follows:
 - 1. Commercial due diligence with respect to a target company in the vision health sector.
 - 2. Due diligence support with respect to a target company in the artificial intelligence/pharmaceutical sector.
 - 3. Commercial due diligence with respect to a target company in the asset management sector.
 - 4. Commercial due diligence with respect to a target company in the payment sector.

5. Market study of investments into a bio pharm industrial zone.
 6. Due diligence support with respect to a target company in the specialty chemicals space.
- x. Based on the results of the research and inquiry as set forth in the Supplemental Declarations, I believe that BCG remains a “disinterested person” within the meaning of section 101(14) of the Bankruptcy Code and does not hold or represent an interest adverse to the Debtors’ estate.
 - xi. Consistent with the Initial Declaration, the Second Supplemental Declaration, and Third Supplemental Declaration, BCG reaffirms that it will make continued inquiries, on a periodic basis, with additional disclosures to this Court if necessary or otherwise appropriate.
 - xii. **BCG Vendors**. BCG also compared the Expanded PPI List against BCG’s internal records of ordinary course vendors and banks for the preceding three (3) year period. The resulting matches are set forth on **Exhibit 2**.
5. **BCG Employees – Engagement Team**. BCG also sent an email survey to each member of the team working directly with the Debtor (the “**Engagement Team**”) attaching the Expanded PPI List and requesting disclosure from team members of (i) any personal connections with parties on the Expanded PPI List, i.e., connections other than professional client relationships already being reviewed as part of the client checking process described above; (ii) any person or entity not included on the Expanded PPI List that, that he/she believes, based on his/her knowledge, should have been included; (iii) whether he/she has been previously employed by the Debtor or entities on the Expanded PPI List; (iv) whether he/she was a member of Green Falcon Funds Board of Directors (discussed further below); (v) is related to or had a relationship with any Green Falcon

Funds Director other than arising out of having BCG as a common employer; (vi) was seconded to B Capital or worked, through B Capital, with any of B Capital's portfolio companies (discussed further below). The results of this Engagement Team survey confirmed that the Engagement Team has no connections or relationships to entities on the Third PPI List that have not been disclosed in any prior declaration.

6. Given the large number of parties in interest in these Chapter 11 Cases, despite the efforts to identify and disclose BCG's relationships with parties in interest in these Chapter 11 Cases, BCG is unable to state with certainty that every client relationship or other connection has been disclosed in this Declaration. In particular, among other things, BCG may have relationships with persons who are beneficial owners of parties in interest and persons whose beneficial owners include parties in interest or persons who otherwise have relationships with parties in interest.

7. Notwithstanding the foregoing, based on the reasonable inquiry and to the best of my knowledge, information and belief, other than disclosed above:

- i. all relevant client, vendor and banking relationships during the three (3) years prior to the date of this Declaration are described in this Declaration or listed on **Exhibit 2**;
- ii. neither I nor any member of the Engagement Team has any connection with any Bankruptcy Judge for the United States Bankruptcy Court for the District of Delaware or any employee of the Office of the United States Trustee for the District of Delaware;
- iii. any client matter BCG has been engaged on within the last three years or is currently engaged by any parties listed on the Third PPI List (or their affiliates, as the case may be) are unrelated to these Chapter 11 cases;

- iv. any personal relationships with members of the Engagement Team are unrelated to these Chapter 11 cases;
- v. neither I, BCG, nor any of its staff (i) is a creditor, equity security holder, or insider of the Debtors; or (ii) has any interest materially adverse to the interests of the Debtors' estates or any class of creditors or equity security holders, by reason of any direct or indirect relationship to, connection with, or interest in, the Debtors, or for any other reason;
- vi. neither I nor any member of the Engagement team is or has been within two years before the Petition Date, a director, officer, or employee of the Debtors.

8. Given the remote nature of these relationships, I believe BCG is and remains a "disinterested person" within the meaning of section 101(14) of the Bankruptcy Code and that BCG does not hold or represent an interest adverse to the Debtors' estates.

BCG INVESTMENTS

9. BCG maintains certain relationships with particular investment funds, as described in detail in the Third Supplemental Declaration.

10. To the best of my knowledge, information, and belief, other than two underlying investments made by Adams Street on behalf of Green Falcon funds, there is no change in the information provided in any prior declaration with respect to such funds. The two investments made by Adams Street on behalf of Green Falcon funds that are connected to the Third PPI List are with:

- i. Warburg Pincus; and
- ii. Providence Equity Partners LLC.

The comparison was performed by the BCG team; Adams Street was not involved in this process.

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Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information, and belief.

Dated: April 30, 2021
Atlanta, GA

/s/ Jason Guggenheim
Jason Guggenheim
Managing Director
Boston Consulting Group, Inc.